

100-Year Sentence, Restitution Urged for Rewald

By Charles Memminger
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Ronald Rewald continued trying to defraud people even after his bogus investment company collapsed in 1983, including an attempt to induce film actress "Bo" Derek into signing a \$21 million contract, the government charged yesterday.

The government is asking that

Rewald, who was convicted of 94 counts of fraud, perjury and tax evasion, be sentenced to 100 years in prison and pay back the millions of dollars he took from investors.

A lengthy sentencing memorandum filed by Assistant U.S. Attorney John Peyton details how Rewald has spent much of his life defrauding friends, family and strangers.

The memorandum describes

how Rewald allegedly used a California man to try to defraud "Bo" and John Derek and their film company.

For some \$50,000, Rewald sold his life story to California entrepreneur Ronald Kauffman and agreed to be Kauffman's business consultant. But the only activity Rewald apparently engaged in, according to the government, was a scheme to defraud the Dereks.

In a sworn statement, "Bo" Derek described how Rewald, only four months after his company collapsed in Hawaii, claimed that he was still operating 66 companies for the CIA, laundering money.

"REWALD STATED that all of his business deals were successful," Derek said. "He further stated that after knowing a man for only three hours he consummated a \$22 million deal on a

handshake and both parties walked away with \$11 million a piece."

But Rewald's claims that he laundered CIA money, along with hints that "unseen people" were watching the Dereks' activities, caused the Dereks to go to the FBI.

The government claims the incident with the Dereks, which occurred after his state indictment, "illustrate Rewald's lack of

remorse and unrepentiveness."

The memorandum further describes how Rewald defrauded even those who tried to help him after the collapse of Bishop, Baldwin, Rewald, Dillingham & Wong.

For instance, after taking the money from Kauffman, Rewald later "resold" his life story and threatened: "It is now controlled by a newly formed syndicate,

Turn to Page A-5, Col. 1

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Rewald Attempted to Defraud Dereks, U.S. Attorney Charges

Continued from Page One
and I have no control of it. Unless you want to incur their wrath, don't ever mention it again."

Kauffman did mention it, however, sending a copy of the cable to the FBI.

The government memorandum described in detail how Rewald ruined the reputations and careers of people who worked for him and people who gave him money to invest. But it charges that Rewald went further, playing "an even more dangerous game."

"IN HIS ATTEMPT to save himself after he was caught, he proved he was more than willing to risk the lives and safety of others," the memo says. "With it concerns for how it might affect innocent people, he concocted stories about Sukhcharan

Singh Pasrich, a native and resident of India, and Indri Gautama, the Indonesian businessman, saying both were CIA operatives in their own countries."

Rewald claimed the CIA had set up and operated his company, a claim the jury failed to believe when it convicted Rewald after nine weeks of trial.

"He deliberately set up the CIA and its employees to be his unwitting defense," the government charges. "Thus, of all the victims in this case, the CIA is

one of the most unfortunate ones."

It was after the collapse of BBRD&W that Rewald "intentionally inflicted the greatest harm upon the CIA," the government says.

Rewald turned the trust and confidence that CIA employees (Jack) Kindschi, (Jack) Rardin and (Charles) Richardson placed in him into barbed spears which he tried to use to "rip the guts" out of these individuals and to damage the Central Intelligence

Agency," the memo says.

KINDSCHI and Rardin were CIA bureau chiefs with whom Rewald made contact while in Hawaii, providing voluntary "backstopping" for overseas agents. Richardson is a former CIA agent who used one of Rewald's companies for cover.

Rewald also encouraged a man named Scott Barnes to make allegations to ABC News that the CIA was trying to kill Rewald to keep him from revealing his CIA

ties, the government charges. ABC broadcast Barnes' allegations and later retracted them.

Rewald's claim of major CIA involvement "is further evidence of Rewald's insidiousness and another reason why he should be imprisoned for the rest of his natural life," the memo says.

Much of the memorandum concentrates on Rewald activities in Wisconsin, long before he claimed the CIA directed him to set up Bishop, Baldwin and take money from investors.

As early as 1965, Rewald solicited investments from friends and families with promises and lies, the memo says.

"For nearly 20 years he has manipulated and defrauded people who trusted him and were taken by his charisma, lies and carefully cultivated image," it says.

Rewald, who is being held in Oahu Community Correctional Center, will be sentenced by U.S. Judge Harold Fong Monday.

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